

Global

IG/HY Analysis - April 2025

Credit Benchmark's Industry Reports provide unique insights into the credit quality and trends of geographies and industries that matter to you. Every month, Credit Benchmark publishes 9,000+ Industry Reports on various sectors.

To learn more about the Industry Reports and analyses Credit Benchmark can offer, please email info@creditbenchmark.com.

Credit Benchmark's Global Index tracks 45,000+ Credit Consensus Ratings (CCRs). These CCRs can be further divided into the following segments: HY and IG.

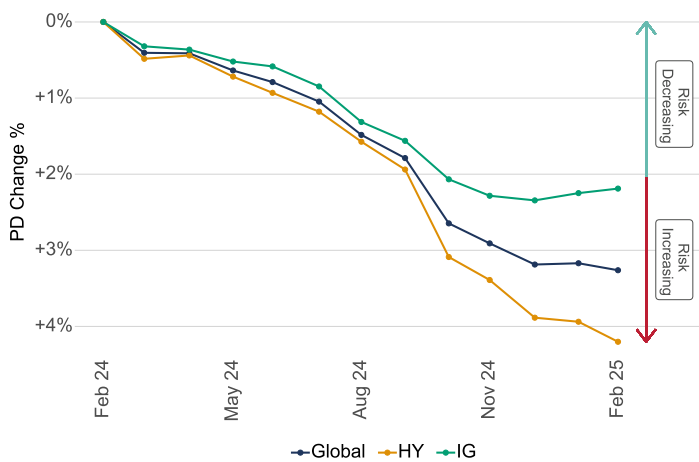
This Industry Report explores our Global Index through different analyses which you can find on pages 1 and 2. Please refer to page 3 for a breakdown of the entities which make up the index.

Analysis

Credit Indices: Trends

HY showed the biggest 6-month change within Global entities. Credit risk rose by 3% over the 6 months leading up to December 2024.

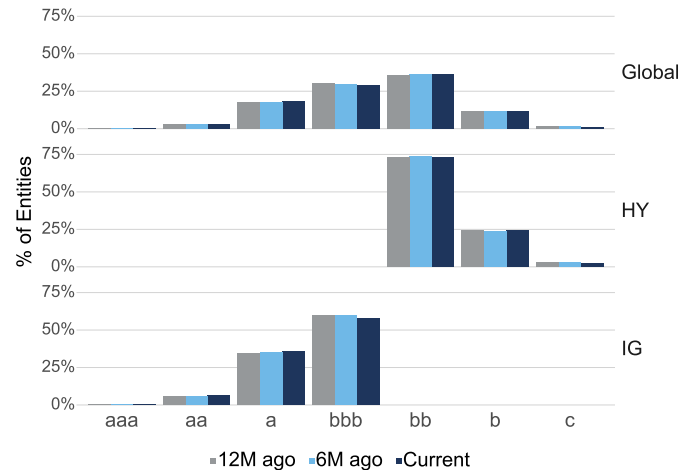
For IG, in comparison, credit risk rose by 2% over the same period.



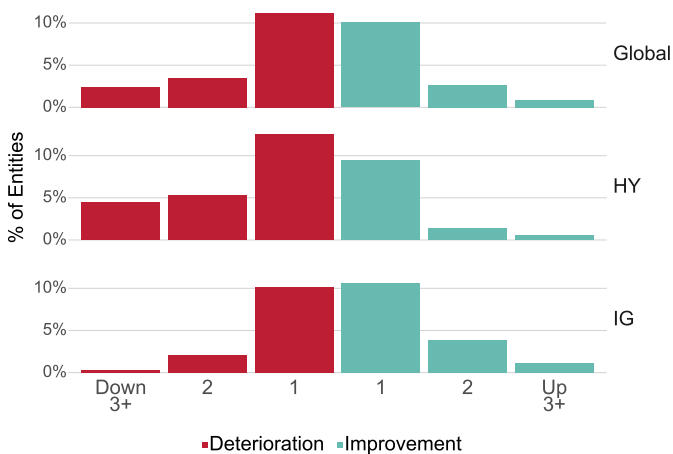
Credit Distribution

A majority of ratings within Global entities lies in the bb credit category. Within HY, 73% of ratings lie in the bb credit category.

On average, within each segment, 50% of ratings are considered non-investment grade.



Notch Movements



Over the last 12 months, 31% of Global entities experienced a change in their ratings. Within this group, 17% of entities underwent a downgrade and 14% got upgraded.

Breaking this down further, 11% of entities experienced a 1-notch downgrade and 10% received a 1-notch upgrade.

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Analysis (continued)

Transition Matrix

This credit transition matrix offers valuable information into the movement of entities across **6** rating categories **over the last year**.

For example, over this period, a number of **bbb** entities (11.2%) **downgraded** to **bb**.

	aaa/aa	a	bbb	bb	b	c	No. of entities
aaa/aa	86.5%	13%	0.4%	0.1%	0%	0%	939
a	1.3%	90%	8.4%	0.2%	0%	0%	5,648
bbb	0%	4.5%	83.8%	11.2%	0.4%	0%	9,352
bb	0%	0.1%	7.3%	85.8%	6.4%	0.3%	9,989
b	0%	0%	0.1%	14.7%	82.2%	3%	3,187
c	0%	0%	0%	1.9%	20.9%	77.3%	321

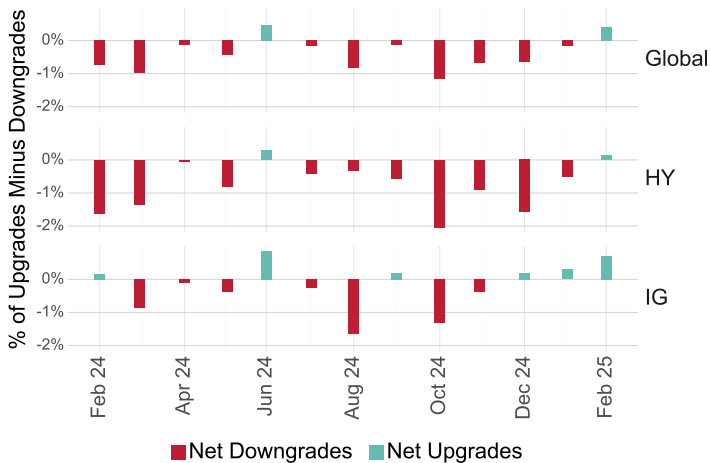
Correlation Matrix

This matrix presents the correlations of month-on-month PD changes between **Global** entities and several subsegments spanning from **February 2024** to **February 2025**.

The least **correlated** pair is between **HY** and **IG**, with a value of **0.71**.

	Global	HY	IG
Global		95%	88%
HY	95%		71%
IG	88%	71%	

Credit Indices: Upgrades vs. Downgrades



HY and IG had a big net move in February 2024, October 2024, December 2024 and August 2024, with 2% more entities **downgraded** than upgraded.

There were 1% more entities **downgraded** in February 2024, March 2024, August 2024, October 2024, November 2024 and December 2024 in Global entities.

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Credit Benchmark has a **Credit Consensus Rating (CCR)** and accompanying detailed analytics for **110,000+** legal entities globally. CCRs are based on the contributed credit risk estimates from **40+** of the world's leading financial institutions.

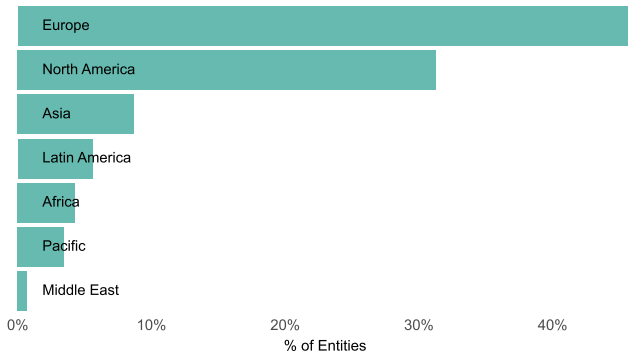
To understand the creditworthiness of the geographies, industries, and entities that matter to you and to be alerted to their changing CCRs, please email info@creditbenchmark.com.

Credit Benchmark's **Global Index** tracks **45,000+** CCRs. These CCRs can be broken down by **Region, Entity Type, Rated/Unrated, and Private/Public**.

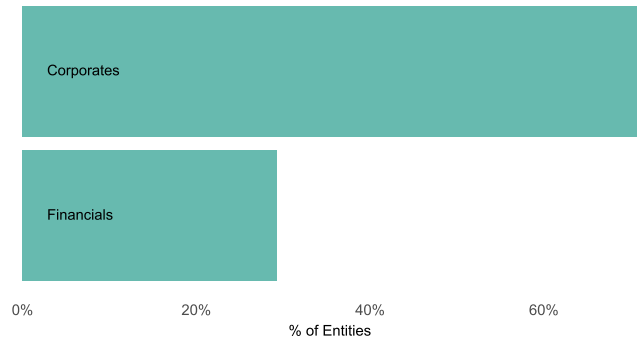
Credit Benchmark can provide additional types of CCR breakdown and levels of granularity.

Breakdown

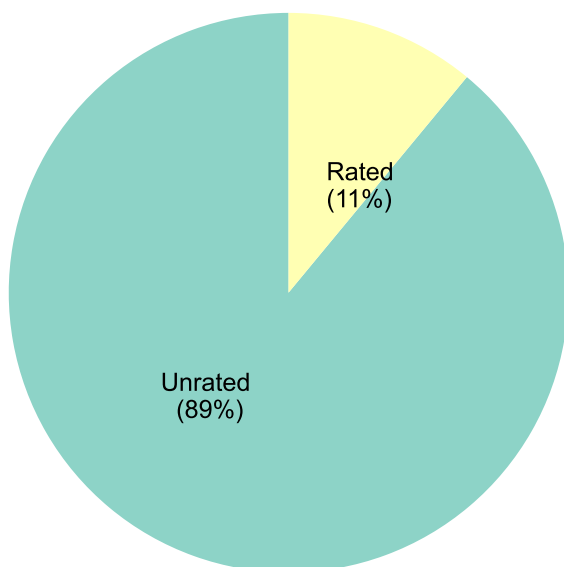
Region



Entity Type



Rated/Unrated



Private/Public

